



Wenatchee School District Board Workshop

Minutes
April 14th, 2014
District Office

Board Members Present

Laura Jaecks, President
Walter Newman, VP
Jesús Hernández
Jennifer Talbot
Robert Sealby

6 PM

Staff Present

Brian Flones, Superintendent
Cabinet

Laura Jaecks, Board President, opened the board workshop at 6:05 p.m., with the Pledge of Allegiance.

I. Consent Agenda

Laura Jaecks, Board President, asked for a motion to approve the consent agenda.

MOTION MADE: Jesús Hernández made the motion to approve the consent agenda.

SECONDED: By Jennifer Talbot
PASSED UNANIMOUSLY

Consent Agenda included:

MINUTES: 3/25/14 Regular Board Meeting

PERSONNEL REPORT PREPARED BY: Lisa Turner, HR Director: 4/14/14 personnel report: on file

PAYROLL PREPARED BY: Tami Hubensack, Director of Payroll: None

VOUCHERS & CONTRACTS PREPARED BY:

Karen Walters, Director of Accounting – 4/14/14

General Fund

Check numbers 568250 through 568455 totaling \$397,778.38.

Capital Projects Fund

Check number 568456 through 568466 totaling \$597,808.90.

Associated Student Body Fund

Check number 568467 through 568506 totaling \$29,155.24

SURPLUS REPORT PREPARED BY:

Karen Walters, Director of Accounting: 4/14/14 on file for review.

None

1) Minutes

2) Personnel Report

3) Vouchers/Payroll

4) Surplus Report

5) Contracts

IV. Facilities Updates

- 1) **MRSC Rosters Contract & Resolution:** WSD Director of Risk and Facilities Bryan Visscher presented this contract and resolution to the board as information items.

Date	New or Renewal or Revision	Agency	Purpose	Amount	Effective Dates	Staff Person Responsible for Contract	Approved by Les?	PO Required?
03/28/14	New	Municipal Research and Services Center of Washington (MRSC)	To provide Wenatchee School District Small Works Roster and Consultant Roster in an online database. MRSC will handle all advertising and administrative functions of the rosters.	\$120 per year Budget Code	June 1, 2014 thru May 31, 2014	<u>Bryan Visscher</u> I have read this contract and recommend it for board approval. BV Initials 3/28/2014 Date		Yes.

Mr. Visscher explained the following to the board:

This contract will move the Wenatchee School District's small works roster from administration in-house by M&O to Municipal Research and Service Center (MRSC). Wenatchee School District will then be following the best practices of many other local municipalities such as Chelan County, Chelan County FPD 6, City of Leavenworth, Entiat School District, Greater Wenatchee Regional Events Center PFD, and Eastmont and Waterville School Districts. Annual cost for our first year is only \$120, less than the \$500 it currently costs the district to advertise in the Wenatchee World one time per year.

In addition, the MRSC Roster includes a professional services roster for architectural and engineering, greatly reducing the cost and complexity of selecting a/e services for small projects, increasing the district's ability to react quickly to facility needs.

Resolution No. 05-14

A RESOLUTION OF THE BOARD OF DIRECTORS (BOARD) OF WENATCHEE SCHOOL DISTRICT #246 (WSD 246), WENATCHEE, WASHINGTON, ON THE SUBJECTS OF ESTABLISHING A SMALL PUBLIC WORKS ROSTER PROCESS TO AWARD PUBLIC WORKS CONTRACTS, AND A CONSULTING SERVICES ROSTER FOR ARCHITECTURAL, ENGINEERING AND OTHER PROFESSIONAL SERVICES.

WHEREAS, RCW 39.04.155 and other laws regarding contracting for public works by municipalities, allow certain contracts to be awarded by a small works roster process; and

WHEREAS, in order to be able to implement small works roster processes, the school district is required by law to adopt a resolution establishing specific procedures;

WHEREAS, RCW 39.80.030 requires that an agency publish in advance that agency's requirement for professional services and that one of the ways to accomplish that notification is to announce generally to the public its projected requirements for any category or type of professional services and request qualification statements to be kept on file with the agency; and

NOW, THEREFORE, THE BOARD OF WSD 246, WENATCHEE WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Resolution No. 01-10 is hereby repealed.

Section 2. MRSC Rosters. The school district wishes to contract with the Municipal Research and Services Center of Washington (MRSC) to have their official rosters hosted in the online database for school district use for small public works contracts and consulting services developed and maintained by MRSC and authorizes WSD 246 Superintendent or designee to sign that contract.

Section 3. Small Public Works Roster

The following small works roster procedures are established for use by WSD 246 pursuant to RCW 39.04.155:

1. **Project Costs.** WSD 246 need not comply with formal sealed bidding procedures for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property where the estimated cost does not exceed Three Hundred Thousand Dollars (\$300,000.00), which includes the costs of labor, material, equipment and sales and/or use taxes as applicable. Instead, the school district may use the Small Public Works Roster procedures for public works projects as set forth herein. The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar amount of a contract that may be let using the small works roster process.
2. **Publication.** At least once a year, on behalf of WSD 246, MRSC shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. Responsible contractors shall be added to appropriate MRSC Roster(s) at any time that they complete the online application and meet minimum State requirements for roster listing.
3. **Telephone, Written, or Electronic Quotations.** WSD 246 shall obtain telephone, written or electronic quotations for public works contracts from contractors on the appropriate small works roster to assure that a competitive price is established and to award contracts to a contractor who meets the mandatory bidder responsibility criteria in RCW 39.04.350(1) and may establish supplementary bidder criteria under RCW 39.04.350 (2)

a) A contract awarded from a small works roster will not be advertised. Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation.

b) Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster. "Equitably distribute" means that the school district may not favor certain contractors on the appropriate small works roster over other contractors on the appropriate small works roster who perform similar services.

If the estimated cost of the work is from one hundred and fifty thousand dollars (\$150,000) to three hundred thousand dollars (\$300,000), the school district may choose to solicit bids from less than all the appropriate contractors on the appropriate small works roster but must notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought. The school district has the sole option of determining whether this notice to the remaining contractors is made by:

- (I) publishing notice in a legal newspaper in general circulation in the area where the work is to be done;
- (II) mailing a notice to these contractors; or
- (III) sending a notice to these contractors by facsimile or email.

c) At the time bids are solicited, the school district representative shall not inform a contractor of the terms or amount of any other contractor's bid for the same project;

d) A written record shall be made by the school district representative of each contractor's bid on the project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.

4. **Limited Public Works Process.** If a work, construction, alteration, repair, or improvement project is estimated to cost less than thirty-five thousand dollars (\$35,000), the school district may award such a contract using the limited public works process provided under RCW 39.04.155 (3). For a limited public works project, the school district will solicit electronic or written quotations from a minimum of three contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder as defined under RCW 39.04.010. After an award is made, the quotations shall be open to public inspection and available by electronic request.

The school district shall maintain a list of the contractors contacted and the contracts awarded during the previous 24 months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded.

5. **Determining Lowest Responsible Bidder.** The school district shall award the contract for the public works project to the lowest responsible bidder provided that, whenever there is a reason to believe that the lowest acceptable bid is not the best price obtainable, all bids may be rejected and the superintendent or the designee may call for new bids. A responsible bidder shall be a registered and/or licensed contractor who meets the mandatory bidder responsibility criteria established by RCW 39.04.350 and who meets any supplementary bidder responsibility criteria established by the WSD 246 under RCW 39.04.350.
6. **Award.** All of the telephone bids or quotations shall be collected and presented at the same time to the school district for consideration, determination of the lowest responsible bidder, and award of the contract.

The superintendent or his designee shall present all telephone quotations/bids and recommendation for award of the contract to the lowest responsible bidder to the school board for contract approval; except in the case of small works projects under \$35,000 and of low complexity, the superintendent shall have the authority to award public works contracts by purchase order without school boards prior review. For public works projects over \$50,000, the school board shall award all public works contracts.

Section 4. Consulting Services Roster

1. **Consulting Services.** Consulting services are professional services that have a primarily intellectual output or product and include architectural and engineering services as defined in RCW 39.80.020.
2. **Publication.** At least once a year, on behalf of WSD 246 MRSC shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the consulting services roster or rosters and solicit statements of qualifications from firms providing consulting services. Such advertisements will include information on how to find the address and telephone number of a representative of the school district who can provide further details as to the school district's projected needs for consulting services. Firms or persons providing consulting services may complete the online application at anytime and be listed if they meet the minimum State requirements. .
3. **Professional Architectural and Engineering Services.** The MRSC Rosters will distinguish between professional architectural and engineering services as defined in RCW 39.80.020 and other consulting services and will announce generally to the public WSD 246's projected requirements for any category or type of professional or other consulting services. The school district reserves the right to publish an announcement on each occasion when professional services or other consulting services are required by the agency and to use paper and/or other electronic rosters that may be kept on file by appropriate school district departments.

Discussion followed:

- Criteria used was laid out by WA State Laws
- \$300,000 or more goes into the formal process
- \$120 fee covers all their services per year
- They are not responsible for our contracts, we keep that responsibility
- Frees up a lot of time for all the offices which saves money
- Local contractors will still have option to participate, the smaller jobs will all be taken by locals
- More discussion will take place on the subject of using more local contractors at a later date

The board thanked Mr. Visscher. The contract and resolution will be on the next board meeting for approval.

V. Board Workshop

GC/CM Informational Workshop

W. Gregory Guedel, Foster Pepper PLLC, thanked the board for having him as a counsel for this informational meeting. Mr. Guedel presented the following to the board as information to help them be more informed on the General Construction Contractor Manager position and aid them in making a decision as to apply for this assistance. Mr. Guedel made it clear that he is present just to answer questions and explain the legalities of the GC/CM program.

Using GC/CM Contracting for Public School Construction

Why Use GC/CM for School Construction Projects?



- Low Price Does Not Always Equal Best Value
- Complex Projects Require Specialized Expertise
- Early Contractor Involvement Helps Reduce Constructability Issues
- Risk-Sharing With Contractor Improves Your Project's Financial And Liability Profiles

The GC/CM Approach Offers Several Advantages

- The GC/CM approach utilizes early-stage contractor involvement, and the GC/CM manages all facets of the construction effort including preconstruction services.
- During pre-construction the contractor provides design review and project planning services, and converts to GC after the guaranteed maximum price is decided upon.
- Ability for fast track/phased construction and early subcontracting.
- The GC/CM could subcontract work the District feels is suitable for local hire such as specialty subcontracts (*painting, insulation, HVAC, refractory, grading/paving and site development*).

Authorization to Use GC/CM for School Construction

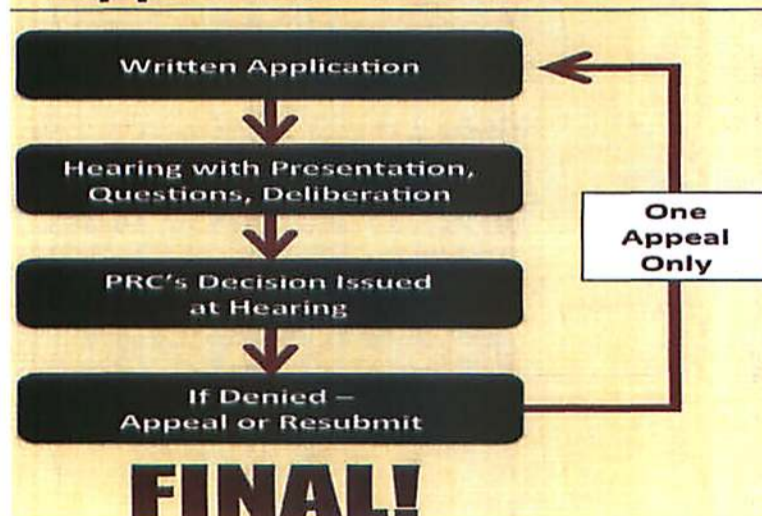
- RCW 39.10 contracting is authorized for Public School Districts.
- Districts must demonstrate broad competence/prior experience with GC/CM or that they have a solid project management team with specific GC/CM experience.
- Must receive either agency or project approval from CPARB's Project Review Committee.
- Projects are good candidates under RCW 39.10 if they are: *"highly specialized", "complex", "technical", "historic", and/or involve structures that will remain occupied during construction.*

Authorization Bodies for GC/CM Projects

- Capital Projects Advisory Review Board
- Membership comprised of diverse positions in the construction industry
- Approval authority delegated to **Project Review Committees**
- PRCs typically include representatives of: *general/specialty contractors, organized labor, public owners, construction managers, and MWBE.*

CAPITAL PROJECTS ADVISORY REVIEW BOARD'S PROJECT REVIEW COMMITTEE
<http://www.ga.wa.gov/cparb/PRC/PRCMemberList.pdf>

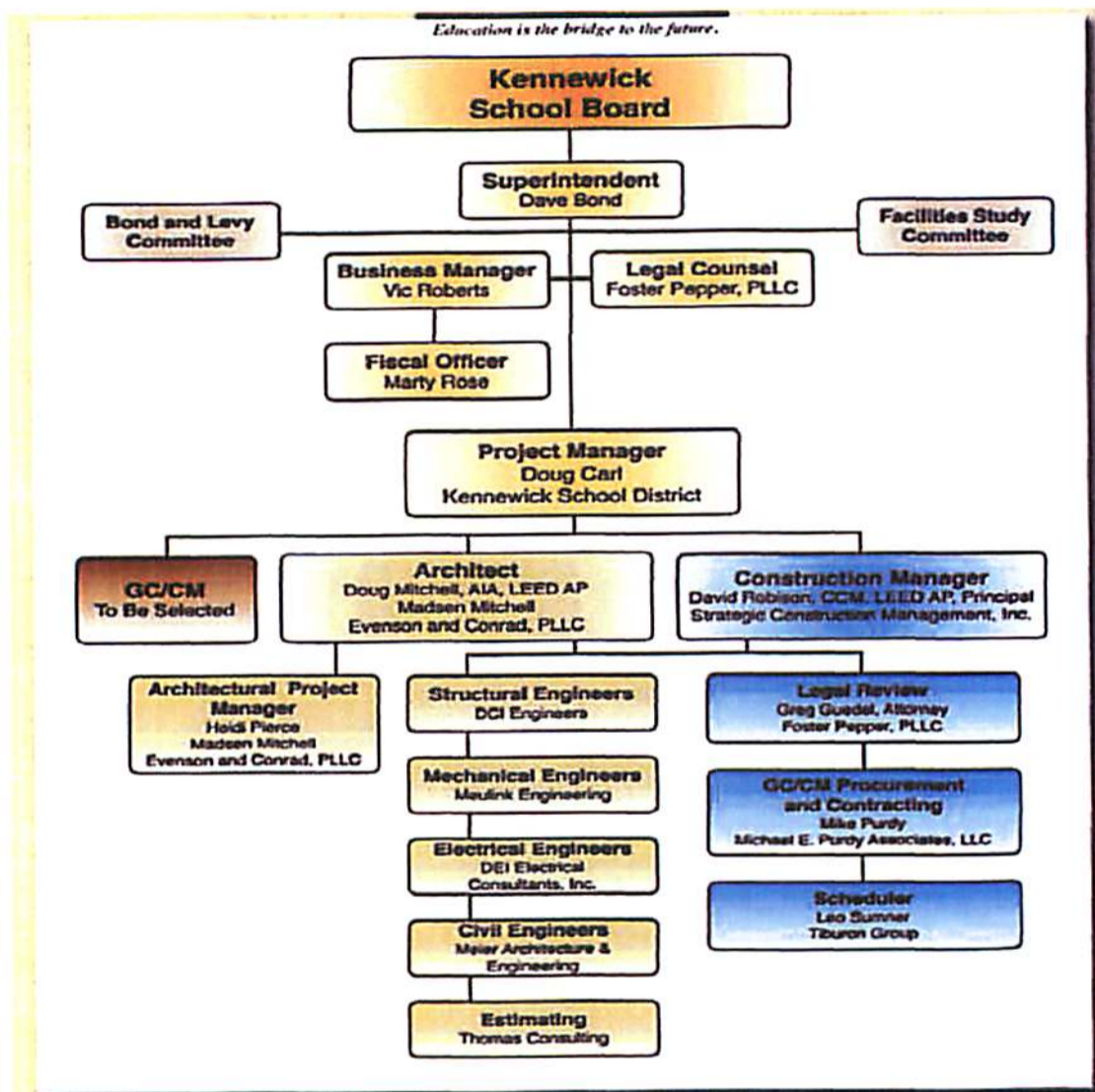
The GC/CM Approval Process



KEYS FOR PROJECT APPROVAL

- Experienced personnel are crucial
- Good project management plan
- Funding, schedule, contingencies
- Respond directly and comprehensively to PRC's written questions

SAMPLE FLOW CHART:



Sample PRC Question/Answers

Precon efforts seem to be scheduled in duration 'spurts' of 2 months allocated to each of the schools (except for the third, Lincoln, which for some reason indicates 3 months). Is this 'start-stop' depiction realistic?

- District and GC/CM to collaborate on appropriate scheduling of Preconstruction services once GC/CM is selected.
- Preconstruction duration for Cascade (2nd year) and Lincoln (3rd year) will both likely be adjusted to be from three to four months each.
- Preconstruction duration for Sunset View (1st year) will be two months due to schedule constraints.
- Increased efficiencies incorporated into Cascade and Lincoln construction projects.

GC/CM Selection and Contracting Process

- Following PRC project approval, District conducts RFQ process to identify qualified GC/CM contractors.
- RFQ criteria are based on qualitative company experience and capability factors, not on price. For finalists, percent fee and total general conditions cost are considered.
- District scores the RFQ responses and selects the best firm, then negotiates the GC/CM contract terms and MACC/TCC.
- If negotiations fail, District can negotiate with next-best company.

GC/CM Contract Terms and Contracting Options

- Contract Price: MACC and TCC are negotiated at 90% design level.
- Risk Contingency Required – Minimum 5%.
- Identify self-performed work, subcontract work, early subcontract packages.
- Determine if subcontractor prequalification criteria will be used.
- Early completion/savings incentives up to 5% of MACC.

Discussion during and after the presentation covered these points:

- Municipalities involved in the program
- Going on lowest price not always good if you are looking for quality
- At what point do we negotiate costs – 90% complete
- Clarification of MACC
- GC/CM takes the risk, protects the district
- Clarification by using other districts' examples
- Scoring Matrix is used and based on board authority
- Evaluation criteria can be specific
- Allows for an efficient way to control budgeted costs on projects
- Price only changes if the board decides to change it or add to it
- 5% contingency on budget can be used to give contractor incentive to complete early or on time
- Sub-contractors level easier to control
- GC/CM can supersede the contractor
- Not all contractors will bother, some love the process and some don't
- The whole process still needs to be managed by someone
- Makes the process work as a team, doesn't allow contractor or design team off doing their own thing
- The more complexity of the project the more likely it will be approved
- Timeline -formal decision soon
- Resolution at next board meeting and come back with recommendation from Hill International
- Board comfortable with application for Washington and Lincoln
- Schedule meeting in July if necessary


The board thanked Mr. Guedel for the informative presentation and offer to return if needed.

Communication:

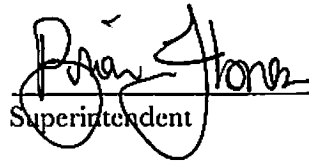
Ms. Jaecks asked the board if anyone would like to attend the training on the *Open Government & Transparency Training* Sessions on June 16th. Everyone was interested and asked Ms. Akers to reserve spots for them.

V. Meeting Adjournment

MEETING ADJOURNED President Laura R. Jaecks adjourned the meeting at 7:44 p.m.



President



Superintendent

Date 4-22-14